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CENTRAL INTELLIGENCE AGENCY

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SECURITY INFORMATION INFORMATION REPORT 25X1 CD NO. 25X1 DATE DISTR. 26 May 1952 COUNTRY Rumania NO. OF PAGES SUBJECT The Exportlemn Company 25X1 NO. OF ENCLS. DO NOT CIRCULATE SUPPLEMENT TO REPORT NO. HIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES, WITHIM THE MEANING OF TITLE 18, SECTIONS 793 THIS IS UNEVALUATED INFORMATION AND 794, OF THE U.S. CODE, AS AMENDED. ITS TRANSMISSION OR REVE-LATION OF ITS CONTENTS TO OR RECEIPT BY AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW. THE REPRODUCTION OF THIS FORM IS PROHIBITED 25X1 The Exportlemn Company, located in Calea Victoriei, Bucharestl; was founded on behalf of the Communist Party by Stefan Langu (Lang), [25X1 and employed by the Mundus-Borlova firm in Caransebes. 25X1 vited the best-known timber experts and managers of Forestiera Lomas, OFA and Foresta, three large timber firms, to join in the formation of an export company to take over contracts concluded by former private companies, where these had been profitable. The company was founded on 23 December 1947 prior to the nationalization of the timber firms and on 1 January 1948 the authorities decreed that in future only Exportlemn would be entitled to export. Following this decree, Exportlemn drew up an inventory of the stock of the various saw-mills, which were then ordered to submit weekly and monthly reports to the company on production, stock and deliveries. 2. Exportlemn is directly under the control of the Ministry of Timber, Paper and Forestry fhe Ministry in cooperation with the Russian members of 25X1 the Armistice Commission, fixes the quantities of timber to be delivered to the USSR annually, and the quantity which may be exported to the West. The contracts concluded with these countries, however, very often cannot be fulfilled as the Soviets frequently double their own quota, in order to supply part of it to other satellite countries. In addition, they sometimes order timber to be supplied to these countries directly. The managers of Exportlema conclude barter contracts with other countries abroad, but these require subsequent ratification by the Ministry. This is not usually obtained unless the timber is sold for either hard currency or specially valuable barter goods. In the latter case, a previous or 25X1 conflicting contract is simply canceled by Exportlemn. SECREE/CONTROL - U. S. OFFICIALS ONLY CLASSIFICATION

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t	than 30,000 cu. m. of hard wood (beech and oak) were exported to the USSR though the contract had stipulated only about 15,000 cu. m. In addition 500,000 cu. m. of pine and fir trunks and cut material of all dimensions and qualities were also sent to the USSR. Very large quantities of timber were sent to Hungary in triangular deals via Russia.
4.	
,	the second-best customer of Rumania. She received timber through the USSR and a contract was also concluded directly with Rumania for the delivery of large quantities of cak and beech wood ties, fuel-wood, deciduous and coniferous cut wood in barter against machinery, aluminum, electric bulbs and chemicals. Large quantities of cut oak and beech wood and prepared boards of good quality, probably in barter through the USSR against machinery and tools, were sent to Austria in 1950. The USSR received 40,000 cu. m. of beech wood, 10,000 cu. m. of oak planks and 500,000 cu. m. of coniferous cut timber. In addition, small quantities of lumber were delivered to Czechoslovakia, in barter against drugs, dye-stuffs, fruit and machine parts.
1	A contract was concluded
	In 1951 the USSR required that trees be felled ruthlessly to fulfill the Plan and even exceed it. On the other hand, reforestation was carefully and effectively carried cut, probably more so than when the forests were privately owned. Soviet demands were so large that all timber felled was exported immediately. The Flan for 1951 provided for between 80,000 and 100,000 cu. m. of deciduous and 1,000,000 cu. m. of coniferous wood. This was exclusive of wood used as domestic fuel.
6.	The following are some of the officials of Exportlemn.
	a. Ivan Zsoldos; General Manager.
	b. F. Sostarichssistant Manager.
	c. Desider Szego, Adviser.
	d. M. Volkmann, Departmental Manager.
	e. Sperl, head of a section.
	f. Fainaru, head of a section.
1.	C. A. Rosetti No. 4 in Bucharest.

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